

**UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
WESTERN DIVISION**

IN RE:)	CHAPTER 11
)	
Rockford Products Corporation,)	Case No. 07-71768
)	
Debtor.)	

**LIMITED OBJECTION TO MOTION FOR AN ORDER AUTHORIZING
REJECTION OF CERTAIN VEHICLE LEASES**

Prime Corporate Leasing, Inc., a corporation, by its attorneys, Holmstrom & Kennedy, P.C., for its Limited Objection to the Debtors' Motion for an Order Authorizing Rejection of Certain Vehicle Leases, states:

1. Rockford Products Corporation and Rockford Products Global Services, Inc., Debtors, (collectively "Debtors") filed a Voluntary Petition for Relief pursuant to Chapter 11 of the Bankruptcy Code on July 25, 2007.

2. Debtors are presently in possession, operating and managing their business.

3. Prime Corporate Leasing, Inc. ("Prime Leasing") is a creditor of the Debtors by virtue of twenty-four (24) separate Commercial Vehicle Leasing Agreements (collectively "Lease Agreements") by and between Prime Leasing, as lessor, and Rockford Products Corporation, Debtor ("Rockford Products"), as lessee, pursuant to which Rockford Products has leased twenty-four (24) motor vehicles from Prime Leasing.

4. At the time of the commencement of this bankruptcy proceeding, Rockford Products was in default in its obligations to Prime Leasing pursuant to the Lease Agreements by failing to make two monthly lease payments to Prime Leasing. Although

Rockford Products has made monthly lease payments to Prime Leasing pursuant to the Lease Agreements subsequent to the commencement of this bankruptcy proceeding, Rockford Products remains in default in its obligations to Prime Leasing pursuant to the Lease Agreements.

5. The Debtors have filed with this Court a Motion for an Order Authorizing Rejection of Certain Vehicle Leases ("Rejection Motion") to which this Limited Objection is directed.

6. In the Rejection Motion, the Debtors request this Court to authorize and approve their rejection of five (5) Lease Agreements pursuant to which five (5) motor vehicles are leased from Prime Leasing.

7. In the Rejection Motion, the Debtors request that this Court approve the rejection of the five (5) motor vehicle leases with Prime Leasing *nunc pro tunc* as of September 10, 2007, the date on which the sale of a division of Rockford Products to RB Distribution, Inc. was closed ("Proposed Rejection Date").

8. Rejection of an executory contract or lease pursuant to Section 365 of the Bankruptcy Code does not take effect until judicial approval is secured unless the Court determines through the use of its equitable powers that the facts justify the retroactive rejection of the lease or executory contract. See *In re Thinking Machines Corporation.*, 67 F. 3d 1021 (1st Cir. 1995).

9. The Debtors have failed to articulate any specific facts to support their request for this Court to approve the retroactive rejection of the five (5) motor vehicle leases as of the Proposed Rejection Date. The Debtors have remained in possession of the five (5) motor vehicles subsequent to the Proposed Rejection Date and, as a

result, have been afforded the opportunity to utilize the five (5) motor vehicles subsequent to the Proposed Rejection Date.

10. In August, 2007, Rockford Products surrendered to Prime Leasing a 2004 Pontiac Bonneville which was subject to a Lease Agreement with Prime Leasing. The Lease Agreement with respect to the 2004 Pontiac Bonneville had not expired upon its surrender and the Rejection Motion fails to address this Lease Agreement. Prime Leasing has remained in possession and control of the 2004 Pontiac Bonneville since its surrender by Rockford Products.

11. The Rejection Motion fails to address the return of the five (5) motor vehicles subject to the Rejection Motion. Any order entered by this Court authorizing the rejection of the five (5) Lease Agreements should require the Debtors to return and surrender the five motor vehicles to the principal place of business of Prime Leasing.

WHEREFORE, Prime Corporate Leasing, Inc., a corporation, respectfully requests that any Order entered by this Court approving and authorizing the rejection of the motor vehicle leases by the Debtors contain the following relief:

- A. Provide that the rejection of the five (5) motor vehicle leases be effective upon the entry of an Order by this Court approving and authorizing the rejection of the five (5) motor vehicle leases;
- B. Authorize and approve the rejection of the Lease Agreement by and between Rockford Products Corporation, Debtor and Prime Corporate Leasing, Inc. relating to a 2004 Pontiac Bonneville motor vehicle which has been surrendered by Rockford Products Corporation, Debtor to Prime Corporate Leasing, Inc.;

- C. Require Rockford Products Corporation, Debtor, to return and surrender the five (5) motor vehicles to the principal place of business of Prime Corporate Leasing, Inc.; and
- D. For such other and further relief as the Court deems just and equitable.

Dated: October 16, 2007.

Prime Corporate Leasing, Inc., a corporation, creditor

By: HOLMSTROM & KENNEDY, P.C.,
Its Attorneys,

By: 
One of its attorneys

Bradley T. Koch - #3602
Holmstrom & Kennedy, P.C.
800 North Church Street
P.O. Box 589
Rockford, IL 61105-0589
(815) 962-7071

CERTIFICATE OF SERVICE

I, Bradley T. Koch, an attorney, certify that the foregoing Limited Objection to the Debtors' Motion for an Order Authorizing Rejection of Certain Vehicle Leases was served by the Court's ECF notification system on October 16, 2007.

A handwritten signature in black ink, appearing to read 'Bradley T. Koch', is positioned above a horizontal line.

Bradley T. Koch

Bradley T. Koch - #3602
Holmstrom & Kennedy, P.C.
800 North Church Street
P.O. Box 589
Rockford, IL 61105-0589
(815) 962-7071